

**JOINT FINANCE COMMITTEE/AUDIT COMMITTEE
MEETING MINUTES
MARCH 18, 2019**

Committee/Board Members Present: Harry Hertline, Treasurer; Vincent Bono; and Neil Angell

Guests: William Rabbia, Executive Director; Joseph Artessa, Comptroller; Pasquale Lisandrelli, Principal Accounting Supervisor; and Brendan Kennedy (Partner BST)

The March 18, 2019 joint Finance Committee/Audit Committee meeting began at 3:00 PM.

An Accounts Receivable Review Analysis was given to the Committee. This report outlined haulers/companies in the 30, 60, 90 and 120-day categories. The total due is \$115,010.14 for these four categories with \$67,810.02 of the total in 30 days. A discussion ensued regarding overall receivable collections.

The 2018 Investment Report was reviewed. This report is prepared in compliance with ABO (NYS Authority Budget Office) requirements. The bank account/investments increased by \$1,355,737 in 2018. The investments with the Authority's Bond Trustee decreased by \$40,041 for 2018. Overall interest earnings were \$415,633.

Next, the Committee reviewed and discussed the Executive Director's Sole Source Report for the fourth quarter of 2018.

Brendan Kennedy from the Authority's independent auditor, BST, presented the 2018 audit.

Mr. Kennedy reviewed the Independent Auditor's Report and provided a power point presentation. The first pages reflect the following:

- a) Year 1 of a 2-year engagement.
- b) Planning for the audit commenced in January 2019.
- c) Field work conducted in February 2019.
- d) Independent Auditor Report is the work of the audit firm.
- e) May 2019 will commence agreed upon Procedures Report for City of Utica Solid Waste Fund.

Next, Mr. Kennedy highlighted that the Authority received an unmodified opinion on the financial statements. There were no internal control or compliance findings, and the Authority received an unmodified opinion on compliance with rate covenants.

Mr. Kennedy explained the required communications to the Board. There were no preferability matters regarding Accounting policies and the Authority adopted GASB 75 for 2018.

BOARD OF DIRECTORS

Kenneth A. Long
Chairman

Vincent J. Bono
Vice Chairman

Harry A. Hertline
Treasurer

Neil C. Angell

James M. D'Onofrio

James A. Franco

Barbara Freeman

Nancy A. Novak

James M. Williams

William A. Rabbia
Executive Director

Jodi M. Tuttle
Authority Board Secretary

**JOINT FINANCE COMMITTEE/AUDIT COMMITTEE
MEETING MINUTES
MARCH 18, 2019**

Page 2

There were no changes in 2018 regarding significant estimates. There were no audit or uncorrected adjustments. Also, there were no issues or difficulties with management.

Mr. Kennedy presented the following 2018 financial highlights:

- a) Net position increase of \$5.4 million.
- b) The Authority has used excess revenues from budget to defease debt early and accelerate capital acquisitions.
- c) The Authority has diversified its revenue stream and experienced an increase in waste tonnages which helped to offset weakness in recycling markets.
- d) Operating expenses saw a slight trend upwards in 2018.

Mr. Kennedy then illustrated the Authority's financial performance in comparison to those of its peers. The conclusion is the Authority's financial performance is exceeding its peers.

Executive Director William Rabbia, Comptroller Joseph Artessa and Principal Accounting Supervisor Pasquale Lisandrelli excused themselves at 3:30 PM so that the Committees could further discuss the audit privately with Mr. Kennedy.

The joint meeting ended at 4:00 PM.

Meeting Minutes Prepared by:

Joseph Artessa
Comptroller